**Section 3025.36 Distressed Communities Definition and Criteria**

Communities that are economically distressed or physically distressed, as defined in this Section, may qualify for increased grant assistance under this program.

a) An economically distressed community is an eligible local unit of government located within a Standard Metropolitan Statistical Area (SMSA) with a per capita equalized assessed valuation (EAV) less than 60% of the State average and more than 15% of the population below the national poverty level and not containing a major University in the community and has received less than the determined fair share of OSLAD assistance; or an eligible unit of local government located outside an SMSA with an EAV less than 50% of the State average and more than 20% of its population below the poverty level and not containing a major University in the community and has received less than the determined fair share of OSLAD assistance.

b) The Department will determine which communities are considered economically distressed based on calculations using the most current published Illinois Census data and Illinois Department of Revenue information. The Department reserves the final determination on whether an applicant meets the definition of an economically distressed community. For a local political subdivision to be considered eligible under a community's distressed qualification, that subdivision must lie entirely within the boundaries of the distressed community.

c) A physically distressed community is an eligible local unit of government that has encountered catastrophic events such as floods or tornados. The physically distressed status will be allowed one time within a 3-year period, the community must be in a county declared a "disaster area" by the Governor or President of the United States, and the disaster must have directly affected the community applying for the grant. The Department may require a community seeking status as physically distressed to provide verification of disaster impacts and a public assistance declaration from the Illinois Emergency Management Agency (IEMA) and/or the Federal Emergency Management Agency (FEMA) before allowing eligibility under this provision. The Department reserves the final determination as to whether an applicant meets the definition of a physically distressed community. For a local political subdivision to be considered eligible under a community's distressed qualification, that subdivision must lie entirely within the boundaries of the distressed community.

(Source: Added at 39 Ill. Reg. 1145, effective December 31, 2014)